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Story Behind the 'Toilet Incident'



Jack Anderson

AIRY LOBBYIST Jake Jacobsen has described as sordid a scene, if his secret confession is true, as ever has occurred in the Treasury Department's highest office.

Among Watergate investigators privy to Jacobsen's account, the episode has become known as the "toilet incident."

It happened when John Connally was secretary of the treasury. The bold, booming Texan — "Big John," his friends called him — was then the rage in Washington. Almost everyone agreed he was

presidential timber.

He let everyone around him know he was serving at a sacrifice. His government salary didn't provide him with enough pocket money, he complained, to live in the high style to which he had become accustomed. He would have to start selling off his investments, he bemoaned, if he stayed around Washington for long.

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HIS LAMENT did not go unheeded. His close friend, Jacobsen, picked up \$10,000 from the Associated Milk Producers, Inc., stashed half of it in a safe deposit box and brought the remaining \$5000 to the Treasury Department.

As Jacobsen has described the incident to Watergate investigators, he handed over the cash in five crisp, \$1000 packets to Connally. The smiling secretary carefully removed the wrappers, strode into his private bathroom and flushed the telltale wrappers down the toilet, Jacobsen

has alleged.

When we reached Connally for comment, he listened in uncharacteristic silence to the account of the toilet incident. Then he quietly repeated the denial he has made in the past. He said that he was twice offered the \$10,000 milk payment but that he twice rejected it.

The reluctant Jacobsen has told Watergate prosecutors, quite to the contrary, that he delivered the money to Connally in

two \$5000 installments.

After the milk scandal came under investigation, Jacobsen has related, a repentant Connally brought back the hot \$10,000. The two friends agreed upon a cover story. Jacobsen promised to say the milk money had been rejected by Connally and had been kept in a safe deposit box.

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ALLED BEFORE a grand jury, Jacobsen loyally repeated the cover story. But the FBI broke down his story and the grand jury indicted him for perjury. He was also indicted about the same time in an unrelated savings-and-loan case.

In a bid for leniency, Jacobsen offered cooperate with the prosecutors and gave them the incriminating details

against Connally.

The FBI has now confirmed many of the details from bank records, travel

vouchers and witnesses.

The FBI has also established that Connally intervened in behalf of the milk producers both with the White House and with former Attorney General John Mitch-